

POLICY WATCH – September 2023

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Welcome fall and the quickening of the pace as we round the corner to the end of the year. At NBLC, we have been busy tracking legislation and what bills the Governor will be signing or vetoing. We are pleased that many bills supporting new housing and improving education have made it to the Governor’s desk. We also share Sen. Glazer’s concerns as detailed in the article below that the continuing investment in housing, the unhoused, mental health, education needs to be monitored to see what results these investments are producing and changing course when needed.

We hope you will join us at the State of the North Bay Conference which will be focused on economic growth and entrepreneurship. Don’t miss hearing original research on how the North Bay entrepreneurial ecosystem is faring and what opportunities abound to create new companies and good paying jobs.

And as we begin to enter the Presidential election year, we urge that we make the shift from pessimism to optimism. Fact-checking and discerning sources are more important than ever to be an informed voter! Elevating the progress and good things happening needs to be brought into balance with what is not going well.

Best,



Cynthia

Get Your Ticket: "Planting the Seeds for Economic Growth" State of the North Bay Conference on 10/12



2023 State of the North Bay Conference *"Planting the Seeds for Economic Growth"*



Jeff Bellisario
Executive Director

Bay Area Council Economic Institute



Abby Raisz
Research Manager

Bay Area Council Economic Institute

Get the latest on how the North Bay's economic ecosystem is faring from top research analysts at the Bay Area Council Economic Institute. Followed by a panel of leaders discussing the state of entrepreneurship in the North Bay featuring: Zachary Kushel, Founder and Managing Partner, Marin Sonoma Impact Ventures; Kimberly Shenk, Co-Founder & CEO, Novi; and Carl Dietrich, Founder & President, JumpAero.

Don't miss out on getting this important information for your organization!

October 12, 2023 (Hosted on Zoom)

8:00 a.m. - 9:30 a.m.

Tickets: \$25

Thank You to Our Sponsors



www.northbayleadership.org

More Money, Same Problems

Sen. Steven Glazer is a Democrat who wants to see more accountability in state government. He wrote an op ed back in July that points out that the Legislature keeps missing the boat by continuing to fund programs that don't live up to expectations. In **Opinion: More money, same problems: My fellow California Democrats keep repeating this mistake** ([Link](#)), Sen Glazer writes, "The California Legislature...passed the latest state budget. The \$310-billion plan is a reflection of our values, dedicating spending to getting homeless people off the street, supporting schools, keeping public transit afloat and treating mental illness. As a member of the state Senate's Democratic majority, I voted for all of those things."

"But as many Californians know, we've already spent billions of dollars on the same problems — with very little to show for it."

"Our failures are evidence that good intentions and lots of money are not enough to fix what ails the Golden State. To make our progressive beliefs mean anything, the Legislature must ensure that the money we spend is actually improving the lives of the people we say we are committed to helping."

"We can do that with two major changes in the way we work. First, we need to stop hamstringing programs and services with special interest demands that doom them to fail. Second, we need to gather and evaluate data on how our programs are working, and that includes supporting independent watchdogs to tell us when government is wasting our money and failing to get the job done."

"Consider our much-discussed commitment to affordable housing. Five years ago, the Senate Judiciary Committee killed a proposal to make it harder to use the courts to slow and ultimately block new affordable housing. Not a single Democrat voted for the bill. A year later, a similar bill cleared the Senate but was killed in the Assembly."

"Finally, in 2021, the idea won overwhelming Democratic support. What changed? The bill was amended to require that affordable projects use only 'skilled and trained' labor — code for union workers — even though state law already required such projects to pay union-level wages. The provision will make it that much more expensive and difficult to build housing, putting the interests of construction unions ahead of the needs of low-income people who can't afford a place to live."

"Efforts to help homeless Californians have been similarly stymied. Proposals to require treatment for mentally ill individuals who are living on the street and too sick to care for themselves have repeatedly been blocked by civil rights groups arguing that people essentially have a right to live homeless and untreated."

"Or consider the public schools. Democrats know that hundreds of our schools are failing and far too many kids are unable to read, write or do math at grade level. And we know that those struggling students are disproportionately low-income children of color. But that issue gets almost no attention from Democrats in the Capitol, who have made no recent efforts to discover why schools are falling short and what can be done to improve them."

"Legislation to hold bureaucracies more accountable is also a tough sell in Sacramento. The Legislature wants to bail out the Bay Area Rapid Transit system by increasing bridge tolls. But for the past two years,

Democrats have blocked a proposal to give BART's inspector general the independence to hold the system accountable for how it spends the money it has."

"And while we spend more than \$6 billion a year on mental health services, the state has very little information about which programs are working and which are not. Yet the Newsom administration has quietly opposed legislation to collect data and measure results. Bills to do so were introduced in 2021 and 2022 but failed to advance."

"There are glimmers of hope for more effective approaches. Bills by state Sen. Scott Wiener (D-San Francisco) and Assemblymember Buffy Wicks (D-Oakland), for example, would promote affordable housing without caving to the unions, and they appear to have a good chance of passing. Sen. Susan Talamantes Eggman (D-Stockton) is again pushing legislation that would allow real intervention to help people with mental illness and addiction get off the street, and it might actually pass this time."

"Meanwhile, the Joint Legislative Audit Committee approved independent performance audits of the state's long-troubled wage theft enforcement program as well as our woeful performance on homelessness. We can only hope those investigations lead to meaningful change."

"But that's just a start. We need a lot more principled leadership if California's progressives are serious about creating a government and a society that are a compassionate and sustainable national model — and not a cautionary tale of failed hopes and promises." Amen!

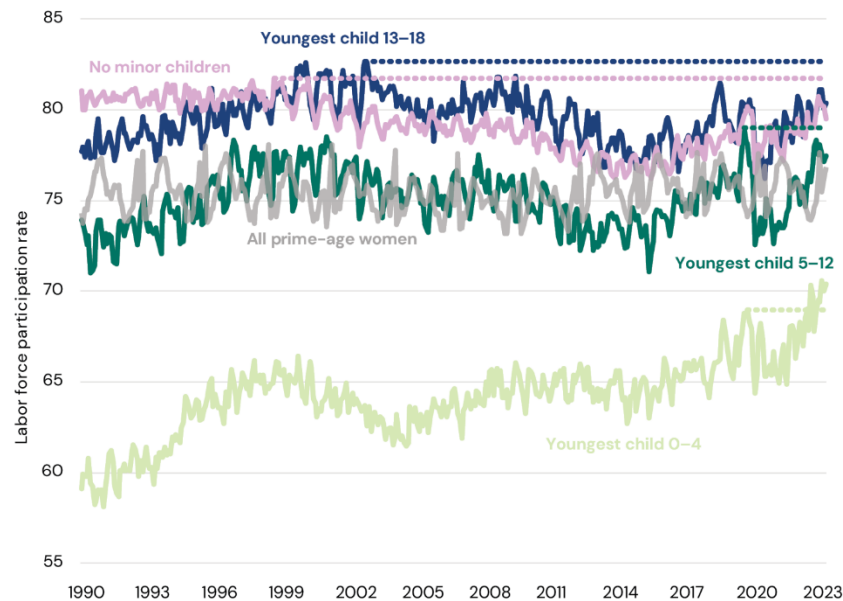
Prime Age Women Are Going Above and Beyond the Labor Market Recovery

Despite child care shortages, we received good news in this new report from the Brookings Institute's Lauren Bauer and Sarah Yu Wang ([Link](#)). The three top takeaways are:

- Prime age women (ages 25 to 54) have contributed most to the post-pandemic rebound in overall labor force participation.
- Women with young children (ages 0 to 4) are powering the pack's upward trajectory. Their labor force participation is more than 1.4% points above its pre-pandemic peak.
- Among mothers with young children, those who are highly educated, married, or foreign-born are more likely to be in the labor force now than they were before the pandemic.

FIGURE 1

Prime-Age Women’s Labor Force Participation Rate 1990 to June 2023, by Age of Youngest Child



Source: Bureau of Labor Statistics n.d.; authors’ calculations.

Note: Participation rates are not seasonally adjusted. Participation rates for 2012-2022 are adjusted using the backcast for decennial Census revisions described in Bauer et al. (2023). Horizontal lines are drawn from the pre-pandemic peak participation.



Making the Shift from Pessimism to Optimism

Peter Diamandis writes In [Turning Cynicism into Opportunity \(Link\)](#) that we need to make the shift from pessimism to optimism and makes the case why. He says, “One of the best stories about the importance of shifting one’s mindset from pessimism to optimism involves Matt Ridley, the award-winning author of the brilliant book, *The Rational Optimist*. Ridley is an Oxford-trained zoologist, but he’s spent most of his career as a science writer, specializing in the origins and evolution of behavior. And lately, the behavior that has most caught his attention is humanity’s predilection for bad news.”

As Ridley puts it:

“It’s incredible, this moaning pessimism, this knee-jerk, things-are-going-downhill reaction from people living amid luxury and security that their ancestors would have died for. The tendency to see the emptiness of every glass is pervasive. It’s almost as if people cling to bad news like a comfort blanket.”

Diamandis says, “In trying to make sense of this pessimism, Ridley, like the psychologist Daniel Kahneman, sees a combination of cognitive biases and evolutionary psychology as the core of the problem. He identifies the cognitive bias ‘loss aversion’—a tendency for people to regret a loss more than a similar gain—as the bias with the most impact on abundance. Loss aversion is often what keeps people stuck in ruts. It’s an unwillingness to change bad habits for fear that the change will leave them in a worse place than before. But this bias is not acting alone.”

“I also think there could be an evolutionary psychology component,” Ridley contends. “We might be gloomy because gloomy people managed to avoid getting eaten by lions in the Pleistocene.”

“Either way,” say Diamandis, “Ridley has come to believe that our divorce from reality is doing more harm than good and has lately started to fight back. ‘It’s become a habit now for me to challenge such remarks. Whenever somebody says something grumpy about the world, I just try to think of the other side of the argument and—after examining the facts—again and again I find they have it the wrong way round.’”

“This conversion to positive thinking did not happen overnight. As a cub science reporter, Ridley encountered hundreds of environmentalists fervently prophesying a much glummer future. So, Diamandis asks: What caused the shift?”

He answers with, “About 25 years ago, Ridley started noticing that the doom predicted by experts was still nowhere in evidence. Acid rain was the first sign that the facts were not matching the fanfare. Once considered our planet’s most dire environmental threat, acid rain develops because burning fossil fuels release sulfur dioxide and nitrogen oxides into the atmosphere, causing an acidic shift in the pH balance of precipitation—hence the name. First noticed by English scientist Robert Angus Smith in 1852, acid rain took another century to blossom from scientific curiosity to presumed catastrophe.”

Diamandis says, “By the late 1970s, the writing was on the wall. In 1982, Canada’s minister of the environment, John Roberts, summed up what many were thinking, telling *Time* magazine: ‘Acid rain is one of the most devastating forms of pollution imaginable, an insidious malaria of the biosphere.’ Back then, Ridley agreed with this opinion.”

“But a few decades passed, and he realized that nothing of the sort was happening: ‘It wasn’t just that the trees weren’t dying, it was that they never had been dying—not in any unusual numbers and not because of acid rain. Forests that were supposed to have vanished altogether were healthier than ever.’”

“To be sure,” says Diamandis, “human innovation played a huge role in averting this disaster. In America, that handwringing produced everything from amendments to the Clean Air Act to the adoption of catalytic converters for automobiles. The results were a reduction in sulfur dioxide emissions from 31 million tons in 1970 to just 1.8 million tons in 2021—a 94% reduction. Nitrogen oxide emissions declined from over 27 million tons to 7.6 million tons during the same period.”

Diamandis says, “This absence got Ridley curious. He began looking into other dark prophecies and found a similar pattern: ‘Predictions about population and famine were seriously wrong... Age-adjusted cancer rates, for example, are falling, not rising. Furthermore, I noticed that people who pointed these facts out were heavily criticized but not refuted.’ All this led Ridley to another question: If the really negative predictions weren’t coming true, what about the veracity of more common assumptions, such as the idea that the world is getting worse?”

“To figure this out, Ridley began examining global trends: economic and technological; longevity and healthcare related; and a host of environmental issues.” Diamandis says, “The result of this inquiry became the backbone of his book *The Rationale Optimist*, which makes the case that optimism rather than pessimism is the sounder philosophical position for assessing our species’ chances at a brighter tomorrow. The incredible news today, as compared to even a few decades ago, is that exponential technologies are giving each of us unparalleled access to knowledge, experts, and global communications at little-to-no cost.”

Diamandis gives the example: “One the best ways to see this is to look at how the internet revolution has continued to rapidly spread across the planet. In 2010, we had just under 2 billion people connected to

the internet. That number is now *over 5 billion*. By 2030, it will rise to at least 7.5 billion—or 90% of the planet. When we couple this with rapidly advancing AI, 100 billion sensors, robots and more, we’re creating an intelligent brain for the entire planet. This global intelligence layer empowers us to solve problems by mobilizing resources around the world.”

He closes with “This is at the core of what it means to have an Abundance Mindset: the idea that next year will bring more opportunities than this year.” It is good to revisit assumptions and consider changing your perspective in light of new knowledge and opportunities that often aren’t the focus of the media who often is more focused on the bad news.

PG&E Encourages Customers to Check LIHEAP Eligibility, Apply for Bill Support

With more than \$73 million in Low Income Home Energy Assistance Program (LIHEAP) credits already distributed in 2023, qualified Pacific Gas and Electric Company (PG&E) customers are on track to receive a record amount of LIHEAP financial assistance this year. LIHEAP funding is still available, and eligible PG&E customers who are behind on their bills are encouraged to apply today to receive the annual federal support.

The average LIHEAP enrollee may receive a bill credit of nearly \$1,000 through the program, which is administered by the California Department of Community Services and Development (CSD). LIHEAP provided more than \$75 million in financial support to over 100,000 households in PG&E’s service area in 2022.

“The LIHEAP program has helped thousands of PG&E customers get their energy bills back on track, and there is funding available to help even more who qualify. LIHEAP distributed a record amount to our customers in 2022, and we encourage others who may be eligible to apply for support this year,” said Vincent Davis, PG&E’s Vice President of Customer Operations and Enablement.

Eligibility for LIHEAP services can vary depending on factors including income, household size and place of residence. For more information or to find a local LIHEAP agency to apply, visit www.csd.ca.gov/energybills or call (866) 675-6623.

Additional Financial Assistance Programs

In addition to LIHEAP, customers with past-due utility balances are encouraged to explore other state and federal assistance programs, including:

- Low-Income Household Water Assistance Program (LIHWAP): Helps households pay down their residential water or wastewater bills through this program offered by CSD. Eligible customers with past-due balances can receive up to \$15,000 in bill support. For more information on LIHWAP, visit www.csd.ca.gov/waterbill or call (866) 675-6632. Customers must apply by Dec. 31, 2023.
- Internet for All: Providers offer plans as low as \$9.95 per month to income-qualified households. Many plans require no deposit, commitment, or installation fee. Learn more at <https://www.internetforallnow.org/getconnected>.

PG&E offers income-eligible customers other ways to save on energy expenses including:

- California Alternate Rates for Energy Program (CARE): Provides a discount of 20% or more each month on gas and electricity bills. Customers can apply at www.pge.com/CARE.
- Family Electric Rate Assistance Program (FERA): Offers a monthly discount of 18% on electricity bills for households with 3+ people. Customers can apply for FERA at www.pge.com/FERA.
- Medical Baseline: Gives up to a 12% discount for customers with special energy needs due to devices used for certain medical conditions. Apply at www.pge.com/medicalbaseline.

Members in the News

Becoming Independent Luau 9/30

Join Becoming Independent at their annual Luau on September 30th!

Dominican Ranks Among Top Universities in the West by U.S. News & World Report

Dominican University of California has again been named among the top 20 regional universities in the west by U.S. News & World Report in its annual ranking of universities and colleges in the United States.

The Buck Institute for Research on Aging Gets \$3.5 Million to Conduct the First-Ever Clinical Trial of Ketone Supplementation to Treat and or Prevent Frailty

The Buck Institute for Research on Aging has received a \$3.5 million federal grant to lead the first-ever double-blind, randomized, placebo-controlled clinical trial to understand the effects of ketone ester supplementation on frailty, a condition which develops following age-related decline in multiple physiological systems.

SOMO Village Starts Construction On 1st Of 1,750 Homes

It's been nearly two decades since the transformation of a former HP plant in southeast Rohnert Park started, and now construction of the first batch of homes is underway.

Catholic Charities of the Diocese of Santa Rosa Named Winner of 1st Annual #WeAreGenH Housing Champion Award

Congratulations to Catholic Charities for this well deserved recognition!

Redwood Credit Union Protects 3,300+ Individuals by Securely Shredding Documents and Responsibly Disposing of e-Waste

This summer, more than 3,300 residents across Lake, Marin, Mendocino, Napa, and Sonoma counties took a proactive stance against fraud and identity theft.

Northern California Public Media Wins 3 Awards at the 55th Public Media Awards

Congratulations to Northern California Public Media for this tremendous accomplishment!

Midstate Construction Wins Two Awards

General Contractor Midstate Construction Corporation awarded "Best Real Estate Project" awards by the Sacramento Business Journal: The St. Clare at Capitol Park (aka Capitol Park Hotel), and Mirasol Village.

Best of Sonoma County 2023 Winners Honored

Congratulations to all the winners!!

Redwood Credit Union Recognized by Forbes as One of "America's Best Small Employers 2023"

Redwood Credit Union has been named by Forbes as one of "America's Best Small Employers 2023."

Midstate Construction Completes Mirasol Village Block A (formerly Twin Rivers)

General contractor Midstate Construction Corporation, and developer McCormack Baron Salazar in coordination with Sacramento Housing and Redevelopment Agency recently completed Mirasol Village Block A (formerly Twin Rivers), a new 104 unit mixed-income residential complex in Sacramento, CA.

Sonoma County Winegrowers Team Up with the San Francisco Giants to Feature Local Wines

Building on the success of their partnership which began shortly before Spring Training this year, the Sonoma County Winegrowers and the San Francisco Giants are teaming up for a “Sonoma in the City” theme in the Cloud Club, one of Oracle Park’s private lounges.

Midstate Construction Completes Mirasol Village Block A (Formerly Twin Rivers)

General contractor Midstate Construction Corporation, and developer McCormack Baron Salazar in coordination with Sacramento Housing and Redevelopment Agency recently completed Mirasol Village Block A (formerly Twin Rivers), a new 104 unit mixed-income residential complex in Sacramento, CA.

NorCal Public Media is a Finalist in 4 Award Categories in the 55th Public Media Awards, Presented by NETA

Posted on LinkedIn,” We are very excited to share that NorCal Public Media is a finalist in 4 award categories in the 55th Public Media Awards, presented by NETA! We’re proud of our fantastic team for being recognized for their incredible work.



Who We Are

Over thirty years ago, business leaders founded the North Bay Leadership Council on a simple premise: We can accomplish more by working together. Today, the Council includes 54 leading employers in the North Bay. Our members represent a wide variety of businesses, non-profits and educational institutions, with a workforce in excess of 25,000. As business and civic leaders, our goal is to promote sound public policy, innovation and sustainability to make our region a better place to live and work. For more information: Call 707.283.0028 / E-mail info@northbayleadership.org

www.northbayleadership.org